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The Use of Crowdfunding by Environmental Entrepreneurs: Is it all about cash?

Suzanne Mawson
Stirling Management School
University of Stirling
Email: suzanne.mawson@stir.ac.uk
(Author for correspondence)

Christopher Ball
Institute of Energy and Climate Research Systems Analysis and Technology Evaluation
Forschungszentrum Jülich
Email: c.ball@fz-juelich.de

Introduction

Over the past five years, the academic literature has seen a significant growth in the number of studies investigating new alternative financial mechanisms available to entrepreneurs. This has been particularly relevant since the global financial crisis, which has resulted in a marked shift in the availability of – and access to – finance for entrepreneurs and entrepreneurial ventures (Cowling et al., 2012). Of these new sources of finance, *crowdfunding* has grown to become an important new source of entrepreneurial finance, giving entrepreneurial ventures across a wide range of sectors the scope to raise significant financing from a larger audience (Belleflamme et al., 2014; Mollick, 2014).

Despite the growth in work exploring crowdfunding, including how firms seeking crowdfunding can effectively ‘signal’ to investors (Ahlers et al., 2015; Vismara, 2016), the nature of those investors engaging in crowdfunding (Cholakova and Clarysse, 2015), and the role of networks and social capital in raising finance (Colombo et al., 2015; Vismara, 2016), this field is still nascent and in need of further empirical exploration. Very little is understood about how and why entrepreneurs seek to raise financing through crowdfunding, specifically whether this form of alternative financing is used to fill a funding gap in traditional sources of entrepreneurial finance (Bruton et al., 2015) or whether it is complementary to other funding sources. There is also a lack of sectorally-focused studies on crowdfunding, which limits our understanding of the transferability of this financial mechanism and its benefits across different industries and types of firms.

This is very much the case when looking at environmental firms operating in the green energy sector. Environmental entrepreneurs are noted to struggle with a lack of availability of ‘green’ venture capital and other forms of external venture investment (O’Rourke, 2010). In addition, environmental entrepreneurs’ difficulties in obtaining external finance have been especially acute since the global financial crisis (Kittler and Outsios, 2014), and are becoming increasingly challenging given the reforms to – and withdrawals of – public support mechanisms (e.g. feed-in tariffs to promote small-scale renewable generation), which have in the past helped to foster the availability of finance for environmental entrepreneurs in the renewable energy sector (Hofman and Huisman, 2012). As a result, crowdfunding is increasingly recognised to be a potentially powerful source of funding for these firms (Hörisch, 2015; Lam and Law, 2016).

This chapter makes a contribution to the nascent crowdfunding literature by exploring the engagement of environmental ventures in crowdfunding and seeks to address the nested questions of (a) *why such ventures choose to engage in crowdfunding* and (b) *what the unique benefits of crowdfunding are to ventures operating in the renewables space*. To address these questions, we draw on a single case study of a French company, tasked with producing renewable energy in the West of France. Due to the relative newness of crowdfunding, the lack of theorisation, and few studies looking specifically at environmental ventures, a single longitudinal revelatory case was considered to be most appropriate to allow for in-depth exploration and inductive theory building in a novel case (Flyvbjerg, 2006; Yin, 2009). We look at France specifically, given significant deregulation and growth in crowdfunding over the past few years, which has resulted in a market valued at €300m in 2015 (The Crowdfunding Hub, 2016).

This chapter begins by providing a general overview of the current literature on crowdfunding, before examining the very limited body of work on crowdfunding within the context of

environmental ventures. Next it outlines context for the research and the single revelatory case study methodology adopted. Findings are then presented and discussed, before conclusions and recommendations for the further research are addressed.

Overview of the crowdfunding literature

As noted, growing interest in crowdfunding generally has been reflected in the academic literature, with a developing knowledge base and body of empirical studies exploring this phenomenon. Whilst we now understand more about crowdfunding than ever before, it is important to emphasise just how nascent this understanding is.

Very simply, crowdfunding is the “disintermediation of the finance market as funders and promoters are brought together directly” (Harrison, 2013, p. 286). It can be defined from a supply-side perspective as “the collective effort by people who network and pool their money together, usually via the internet, in order to invest in and support efforts initiated by other people or organizations” (Ordanini et al., 2011, p. 443) and from a demand-side perspective as “the efforts by entrepreneurial individuals and groups – cultural, social, and for-profit – to fund their ventures by drawing on relatively small contributions from a relatively large number of individuals using the internet, without standard financial intermediaries” (Mollick, 2014, p. 2). This usually takes place via third-party Internet platforms, although some companies have developed their own crowdfunding pages. This should, in theory, allow for wider access to funding than ever before – the so-called ‘democratisation of finance’. In this vein, it is also now recognised that various ‘forms’ of crowdfunding exist, rather than a single type. These include rewards-based, donation-based (such as seen on the US-based platform Kickstarter), lending-based (or peer-to-peer) and equity crowdfunding (Collins and Pierrakis, 2012; Mollick, 2014), although some companies choose to use these in combination – so-called ‘hybrid’ models (Cholakova and Clarysse, 2015).

Whilst donation-based crowdfunding has been the focus of the majority of academic research (e.g. Belleflamme et al., 2013; Belleflamme et al., 2014; Kuppuswamy and Bayus, 2017), recent work on other forms such as equity crowdfunding has helped to develop a somewhat more nuanced understanding of the crowdfunding phenomenon. This is of significant importance, as the specific form of crowdfunding adopted by organisations may well be influenced by a number of factors such as sector, firm age, existing networks, current finance arrangements etc. In fact, there is strong recognition that there is likely to be “considerable variation in the behaviour of entrepreneurs seeking different forms of this finance” (Bruton et al., 2015, p. 18). Unfortunately, we still know very little about why entrepreneurs engage with crowdfunding, what this process entails, and what the benefits and impacts are of raising finance via crowdfunding rather than other sources of finance, be it traditional bank finance or alternative entrepreneurial finance like venture capital (Brown et al. 2015).

There are also very few studies looking at crowdfunding in specific industries or contexts, most notably within the realm of environmental entrepreneurship. Those studies that do exist, however, identify the significant potential that crowdfunding has for environmental ventures and projects (Hörisch, 2015). Entrepreneurs operating in this sector are noted to face a number of unique challenges. New renewables ventures often rely on technological innovation, which is associated not

only with high development costs (Freimann et al. 2005) , but also higher risks to investors (Garnsey et al., 2006) or venture capitalists who might be searching for easily commercialised products and faster returns (Dimov and Murray, 2008). Existing forms of entrepreneurial finance such as greentech venture capital are often closely related to energy prices (Kenney, 2011) and, due to the hegemony of traditional power providers, such prices tend to be artificially low, weakening market prospects for renewable energy producers. Given this difficult market context, venture capitalist investment decisions can be heavily influenced by government environmental regulations (Bürer and Wüstenhagen, 2009), specifically support mechanisms to foster renewables. Since such support mechanisms are becoming less attractive, this has exacerbated the difficulties entrepreneurs face in obtaining external finance, resulting in the increased appeal of alternative investment options, such as crowdfunding. It is recognised to offer environmental ventures, particularly those at an early stage, vital access to funds to supplement other increasingly scarce private and public funds (Lam and Law, 2016).

As well the financial benefits to organisations from crowdfunding, the literature recognises a number of non-financial benefits such as building community support for projects and wider citizen engagement (Vasileiadou et al., 2016). Such support is closely related to the concept of 'legitimacy', which is conferred to those projects (and, by extension, entrepreneurs and ventures) that the 'crowd' democratically chooses to support (Lehner, 2013) and is considered to be a critical issue within the wider crowdfunding literature (Lehner and Nicholls, 2014; Frydrych et al. 2016). In many cases, such conferred legitimacy enables a concept or project to obtain wider backing and support than it otherwise would have.

Despite these insights, it is clear from the literature that significantly more work is needed to tease out the specificities of the demand for crowdfunding amongst environmental entrepreneurs, particularly amongst those operating in the renewables sector within specific European countries like France.

Context for the Study

France is noted to be a strong potential market for crowdfunding. Whilst lending to SMEs has traditionally been dominated by banks, with only 20% coming from alternative sources (i.e. venture capitalists), the years since the global financial crisis have seen a significant reduction in lending to firms of all sizes (particularly entrepreneurial ventures) (Sannajust et al., 2014), in addition to a general change in the entrepreneurial finance ecosystem. France has also seen the development of organisations to build legal frameworks for crowdfunding. *Financement Participatif France*, created in August 2012, is a body that represents organisations involved in crowdfunding and influences government policy towards crowdfunding (Financement Participatif France, 2016). The need for an organisation like *Financement Participatif France* has arisen in part to address information asymmetries pertaining to crowdfunding, as well as to advocate in favour of further developing the crowdfunding concept in France. Their seminal contribution has been the creation of a white paper to influence the preparation of the 2014 law on crowdfunding, which has enabled citizens to invest directly in crowdfunded projects.

This development has been particularly valuable for environmental ventures operating in the renewable energy sector. Although some European renewable energy sectors have benefited from changes in the entrepreneurial finance ecosystem since the financial crises, including an increase in business angel networks and venture capital communities in Germany (Grichnik and Koropp, 2011), the French renewables sector remains a challenge for those entrepreneurs seeking to raise entrepreneurial finance. This is largely to do with the dynamic of the sector.

The renewable energy sector in France, as in many Western European economies, is considered to be a key strategic sector (Ministère de L'Environnement, de L'Énergie et de la Mer, 2016). Over the past eight years, the French government has invested substantial sums into its development, including key policy interventions aimed at increasing access to investment and financial capital by new renewable energy ventures. A feed-in tariff, introduced in 2007 to provide payments fixed for twenty years to smaller-scale renewable energy generators, has acted as a crucial financial incentive for renewables (Dusonchet and Telaretti, 2010) and offered greater market certainty. In addition, significant sums have been invested in public support for R&D in renewable energy – just over €200 million in 2011, for instance (International Energy Agency, 2013) – and eleven clean energy industrial clusters have been created, with assistance from the state (Compétitivité.gouv.fr, 2015). With this tradition of generous state support and subsidy, the sector has remained reliant on traditional funding sources and has not diversified in the way seen within other European countries. As a result, environmental entrepreneurs have fewer financing options available to them than their European counterparts, despite recent reductions in government subsidies and tightening of bank lending. In this changing context, it is increasingly important to understand the role that alternative sources of finance like crowdfunding can play in venture financing.

Methods

In order to best address our two research questions - *why environmental ventures choose to engage in crowdfunding* and *what the unique benefits of crowdfunding are to ventures operating in the renewables space* - and given the limited empirical and theoretical literature on crowdfunding in the context of environmental ventures, a single longitudinal revelatory case was considered to be the most appropriate for this study. Whilst a drawback of the single case study is that it can be difficult to generalise findings to other cases (Stake, 1995), this methodology is considered to be of particular use in early work on nascent topics, allowing for in-depth information able to be gathered in a specific context and inductive theory building to occur (Flyvbjerg, 2006; Yin, 2009).

In this vein, a single case was selected purposively to ensure access to sufficient information to build a detailed case (Flyvbjerg, 2006). As a revelatory case, it was critical to select an organisation with an established track recording in engaging with crowdfunding, in an otherwise traditional sector. Web searches yielded fewer than twenty such exemplars in France; of these, one stood out as a leader in both the environmental energy field and in crowdfunding activity. Permissions were sought and granted to engage in data collection. At the request of the case company, they will be anonymised and henceforth referred to as EnergyCo.

To build our case, we undertook a programme of desk research as well as primary data collection. Desk research was conducted consisting of an examination of the annual reports and other publicly

available documentation of EnergyCo to build background knowledge and to fully understand the context of the case. This is considered to be crucial in case study research where the phenomenon under study is not easily separated from the context in which it is located (Yin, 2009) – in this case, the French energy sector and French society, more widely. In addition to desk research, we collected primary data through two semi-structured interviews with the CEO of EnergyCo. The first interview was conducted in mid-2014 and the second in late 2015. This longitudinal approach allowed us to assess EnergyCo's involvement in crowdfunding during a time of changing regulation and context in France. These interviews and desk research were triangulated with through an interview with a representative of *Financement Participatif France* in late 2015, who was able to offer further insight on the evolving nature of the French crowdfunding scene and the place of renewables firms like EnergyCo within this context.

All three interviews were conducted via telephone/skype and were approximately 1 hour in length. They were conducted in French, recorded with participant permission and transcribed as soon as possible after completion. Transcripts were translated into English by the researchers and were then coded independently by each researcher to extract key themes. The researchers then came together to further refine themes, concepts and categories.

Data

About EnergyCo

EnergyCo was established in 2001 in response to increased regional interest in sustainable development and is now responsible for producing most of the renewable energy in its region. It is a *société d'économie mixte locale*, which is a special structure used when local authorities set up a company to deliver social goods or urban regeneration projects (Mollick, 2014) - green electricity is an example of such a social good. In a legal sense, the *société d'économie mixte locale* structure shares similarities with that of a British *Public Limited Company* in that its capital is apportioned by shares and it has a Board of Directors for oversight beyond the CEO and management team. In terms of ownership, EnergyCo is a subsidiary of a public energy company in the West of France, which owns an 85% stake in EnergyCo. Three major French financial institutions (two private and one public) own the remaining 15% stake.

With a turnover in 2014 of €9 million, assets of €64 million and eight employees, EnergyCo is a medium sized actor in the French energy sector, corresponding to Hockerts and Wüstenhagen's (2010) *High Growth David* type firm – a green firm that is gaining in expertise and expanding its market share through disseminating eco-innovation including new forms of power generation. The company's main activities consist of the installation and operation of decentralised renewable energy systems, namely wind farms, ground and roof mounted photovoltaic systems and biogas installations. In 2014, EnergyCo doubled its capacity for generating renewable power, adding new wind farms and two new solar farms. It now boasts a capacity sufficient to supply 60,000 citizens with electricity and removes 37,000 tonnes of CO₂ emissions from the French carbon footprint.

Findings

From our case study, several notable findings emerged relating to the rationale for engaging in crowdfunding, the 'type' of crowdfunding leveraged by EnergyCo, the scale of funding sought and raised, and the intangible benefits from crowdfunding, namely community buy-in and citizen engagement. Each of these will now be discussed in detail.

Rationale for engaging in crowdfunding

When EnergyCo started constructing its first photovoltaic parks in 2007/2008, citizens living around the project sites expressed a desire to invest. As the CEO of EnergyCo reflected:

"There were inhabitants who saw the wind turbines being built around them and they contacted us to ask how they could participate in the financing of the wind farm... these inhabitants had faith in the work and the business."

Whilst local interest in projects clearly existed, this interest was not easily captured. At the time, EnergyCo was unable to translate public interest into actual investment given their status as a *société d'économie mixte locale* and legal restrictions on investment into this form of organisation. In 2014, however, the law changed to permit crowdfunding (République Française, 2014), which was also reinforced by the *Energy Transition Law* whereby crowdfunding was considered to play a key role in the financing of the *Energy Transition* through investment by citizens in projects run by organisations like EnergyCo. This legal change allowed EnergyCo to mobilise the public around projects, which in turn has helped to tap into local resources, to diversify financing for projects and to channel the pre-existing community interest into local power projects. These are now considered to be strategic aims for EnergyCo.

Type of crowdfunding

Somewhat unexpectedly, EnergyCo chose not to adhere to a single 'type' of crowdfunding as many other organisations have done (e.g. donation or equity based crowdfunding), but rather chose to develop a suite of options for investors. These comprise three key mechanisms: more conventional crowdfunding via an online third-party platform; investment via secure bank deposit (*dépôt à terme*); and investment via a separate investment fund. Interestingly, the latter two of these forms do not mesh well with the crowdfunding concept as being one conducted through online platforms – yet they are very much focused on raising finance from a range of non-professional investors from local communities.

Crowdfunding via on-line platform. As with many sites, this platform acts as an institutional intermediary for EnergyCo and gives funders the opportunity to support specific projects – in this case, roof-mounted solar projects. For such projects, up to 8% of the total financing required can be reserved for crowdfunding investments via the platform. Interestingly, it uses an equity rather than donation or reward-based model. Crowdfunded investments via the platform are for a period of ten to twenty years, with the funder receiving an interest rate of 2 to 5% in addition to the reimbursement of the initial amount invested. The solar panels are produced and used in EnergyCo's local region and local citizens have priority in the calls for investment. This model has been quite successful financially, with EnergyCo raising £300,000 for two renewable energy projects in 2015, which represented a doubling of the amount of crowdfunding compared to previous 2014 projects.

In comparison with the scale of funding received by other crowdfunded projects and ventures, however, the funding raised remains quite small.

Investment via dépôt à terme (DAT). Offered by *Crédit Agricole*, a major French financial institution, this comprises a special account in which holders make a secure deposit. This deposit is held for five years and is invested in a sector of the investor's choice (such as energy saving and renewable energy); investors earn interest on the principal invested. The deposit value is a minimum of €100 and a maximum of €7500. Through this mechanism, EnergyCo has raised €1 million from over 200 individual account holders to finance a wind farm.

Investment via investment fund. *Energie Partagée* is an investment fund focused on funding for energy saving and renewables. Members of the public may invest in units of €100, with the average investment amounting to 18 units at a value of €1800. The funds collected are invested in crowdfunded energy projects, such as those operated by EnergyCo. This mechanism is not exclusive or proprietary to EnergyCo.

Through these three mechanisms, EnergyCo focuses on achieving its goal of engaging with local citizens to finance renewables projects. As the CEO explained, such investment options give local people an opportunity to invest their money responsibly, to invest in local projects leading to green jobs and to become more aware of energy production and demand. Some mechanisms, however, appear more easily adopted by local investors than others. For example, EnergyCo has found that the *Dépôt-à-terme* garners greater trust among potential crowdfunders than the online intermediary platform. As the CEO commented:

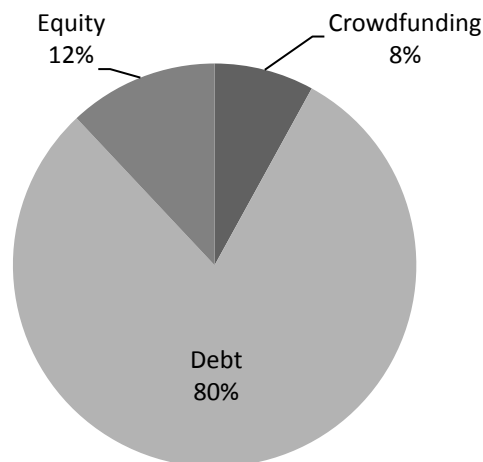
"The guarantee is from Crédit Agricole and there is no risk for the crowdfunder because the Bank offers the bond. For them [the holders of the bond], that is a true guarantee. The dépôt-à-terme was opened to Crédit Agricole branches based around the wind farm project, It was a project that people saw being built around them, so interested them a lot"

As the bond is offered by a recognised financial institution, it is seen as more secure than other forms of crowdfunded investment and this gives rise to issues about trust within crowdfunding. Financial institutions may be more successful in attracting investment from a more conservative crowd, unfamiliar or wary of online crowdfunding. Moreover, it is interesting that the *dépôt-à-terme* is available in bank branches – this is perhaps a more effective channel for accessing a wider range of potential crowdfunders who would be less inclined to use internet based platforms.

Scale of funding sought and raised

When EnergyCo first looked into the possibility of crowdfunding, they anticipated that it would not act as a significant form of finance. Given ongoing changes to the legal regulation on crowdfunding in France, however, the finance raised by EnergyCo has grown steadily. For example, they raised €75,000 per project in 2014, but €150,000 per project in 2015. For each project, the portion of finance raised through crowdfunding now corresponds to approximately 8% of the total financing, with debt financing and equity remaining the most important sources of funds. Despite this growth, as Figure 1 shows, more traditional debt lending still forms the bulk of EnergyCo's funding for projects.

Figure 1. Breakdown of Project Financing for EnergyCo



This low share of crowdfunding reflects EnergyCo's strategy of being financially cautious. They have set moderate goals, recognising that if the target sum to be raised was set at a high level – and the target was missed by a (large) margin - this would adversely affect the image of the organisation. They also recognise that, at present, crowdfunding is not going to replace the traditional funding mechanisms that have been used by EnergyCo. Rather, it is supplementary and a mechanism to diversify sources of finance. Highlighting the need to manage expectations with crowdfunding, the CEO commented:

"It is better to aim small and get there than to be ambitious and to never get there. A project which does not hit the ground running will never get off the ground."

An interesting finding was that crowdfunding did not change the viability of a project; a project would be opened to citizens only once it had received formal authorisation and was guaranteed to go ahead. Therefore, the role of crowdfunding in environmental entrepreneurship in the case of EnergyCo can be regarded as supplementary.

Intangible benefits from crowdfunding

Although the financing raised by EnergyCo through crowdfunding remains comparatively small, the company recognises that there are far more significant benefits arising from engaging in crowdfunding than just finance. These include community buy-in, citizen engagement and wider marketing of projects and initiatives.

EnergyCo takes an active approach to communicating with the public, following a three stage process: they begin by advising local councillors about a new project and sending a mailing across the local area; they then organise a district-wide campaign to raise awareness about the project and investment opportunities; finally, adverts are placed in national energy publications. Despite this process and initial focus on communities around project sites, not all investment raised is from local investors. In the case of one recent project, for example, twenty-five investors came from the local district compared to forty-four from other parts of France. Although the preference is for the

investors to be local, there can, clearly, still be a discrepancy between local and national participants. As Figure 2 shows, the average distance between the location of projects and investors is actually rather large and indicates that local crowdfunders are not necessarily the principal group of investors.

Figure 2. Average Distance of Crowd Funder from Project Location

Project	Solar PV 1	Solar PV 2	Solar PV 3	Wind Farm
Average distance of crowdfunder from project location	275 km	265 km	215 km	270 km

From a local perspective, EnergyCo have found that crowdfunding has provided a critical mechanism for furthering community buy-in and citizen engagement on specific projects, with the CEO commenting:

“[Crowdfunding] helps the acceptability of projects. They [crowdfunders] are engaged when someone talks about the project - says ‘yes, yes, it’s a good project, you must invest as well’. If you know someone who says ‘it’s a super project’, it is difficult to be against this project. When you are invested in the project, you defend it.”

As local citizens in local communities can have a financial stake in the project, they often act as ‘brand ambassadors’ or ‘opinion leaders’, defending the project and encouraging the local community to embrace it. This has helped to reduce friction and opposition at a number of proposed project sites. Since projects are opened to crowdfunding investment following their formal legal approval, investors do not have much of an impact on the development of a project. Nevertheless, this engagement must be balanced with the needs of the project. The CEO stressed that whilst bringing in the crowd before the authorisation stage would have benefits from the point of view of community engagement and democracy, it could also be risky in terms of keeping projects on track:

“A project developer cannot possibly take into account the opinion of 20, 30, 40 local citizens in a project. There are those who want blue panels, black panels, red panels. It cannot be that giving a voice to citizens jeopardises the project.”

The crowd could be unwieldy, as many stakeholder interests could collide and make it extremely difficult to progress a project to completion. The CEO felt that this would be a major barrier to engaging with crowdfunding and the crowd earlier on in the project process.

Discussion

Based on the data presented, a number of issues have emerged which warrant further discussion. As noted, this research sought to address the nested questions of why environmental entrepreneurial ventures choose to engage in crowdfunding and what the unique benefits of crowdfunding are to these ventures. Our exploratory findings, whilst drawn from a single case study, provide some important insights into these critical issues and make an important contribution to the nascent crowdfunding literature.

As noted earlier, EnergyCo was ‘pulled’ into engaging in crowdfunding via community interest, rather than engaging based on the commonly perceived benefit of easier access to finance. Whilst this may well be a singular circumstance, it does call into question whether environmental entrepreneurs will have different motivations for using crowdfunding than those operating in other sectors – particularly given existing financial mechanisms in place to finance ‘green’ ventures such as feed-in tariffs and other government subsidies for renewable energy production (Dusonchet and Telaretti, 2010).

The wider crowdfunding literature recognises that non-financial benefits can arise from engaging in crowdfunding such as exposure, concept validation and promotion (Belleflamme et al., 2014; Lehner et al., 2015). In our case company, these intangible benefits were a key factor underpinning the rationale to engage with crowdfunding, particularly the engagement of local citizens as well as marketing and awareness of EnergyCo and its projects amongst a wider pool of potential investors and advocates. The company recognised that crowdfunding was an important way of marketing projects to local people and beyond, resulting in a number of benefits including overcoming local resistance to possibly contentious projects (e.g. wind farms) and raising investment from the local community (capitalising on the *sharing economy* or *économie collaborative*), whilst concurrently meeting social objectives and marketing renewables more widely in the country. All this helped to build support for renewable power inside (and outside) the local region. This links to the concept of ‘legitimacy’, which has been found to result from engagement in crowdfunding and recognition of project and organisational value by the ‘crowd’ (Lehner, 2013; Lehner and Nicholls, 2014; Frydrych et al. 2016). Indeed, the CEO emphasised a number of times that crowdfunding was a very small source of financing and that wider marketing was the critical benefit. Additional research is needed to explore this issue further, to tease out precisely the nature of such marketing benefits in the context of environmental ventures.

Another important finding from this study was the diversity of ‘types’ of crowdfunding leveraged by EnergyCo. Whilst the wider crowdfunding literature acknowledges a number of standard types, as well as the ‘hybridisation’ of different types (Cholakova and Clarysse, 2015), our findings identified that perhaps the crowdfunding concept can include mechanisms that occur through traditional intermediaries (e.g. banks) rather than just online platforms. Given EnergyCo’s reflection that more traditional mechanisms such as the *Dépôt-à-terme* garner greater trust among potential crowdfunders, this raises an important question about whether we need to expand our concept of crowdfunding to include ‘offline’ mechanisms. In addition, given the small scale of funding raised by EnergyCo by crowdfunding, it appears that such finance is complementary rather than substitutive. This is an issue that would benefit from further exploration across a wider range of environmental ventures.

Conclusions

This chapter has explored why environmental ventures engage in crowdfunding and the benefits of engagement with this form of financing. Drawing on a single revelatory case study, our work suggests that intangible benefits such as community support, awareness building and marketing may be of greater importance to environmental ventures than simply raising finance. We also observe

that, in the context of our case company, a range of forms of crowdfunding were used – both the stereotypical online platforms as well as ‘offline’ mechanisms.

Given the methodology chosen, we cannot generalise our findings beyond the case reported, however the findings discussed nonetheless make a contribution to the nascent crowdfunding literature and raise a number of issues that would benefit from further research. The literature, and our understanding of crowdfunding, would truly benefit from further quantitative and qualitative studies looking specifically at environmental ventures, to tease out issues pertaining to tangible and intangible benefits across a wider range of organisations.

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